

Financial Summary
FY2024 First Quarter (First Three Months)
Ended June 30, 2024

Tokyu Fudosan Holdings Corporation

This report provides information excerpts from Tokyu Fudosan Holdings' original disclosure in Japanese, "*Kessan Tanshin*," which was released on August 6, 2024 at 16:00 (GMT+9).
The review has not been completed.

1. Overview of the FY2024 First Quarter (First Three Months) Ended June 30, 2024

*All the figures in millions are rounded down and all the figures in billions are rounded off to one decimal place.

(1) Summary of consolidated statement of income

(% indicates year-on-year change.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First three months	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2024	267,179	5.6	31,636	(8.4)	29,345	(10.0)	18,900	(25.3)
FY2023	253,104	14.9	34,527	38.7	32,604	45.1	25,293	75.4

Note: Comprehensive income: First three months of FY2024 ¥31,342 million [6.0%]
First three months of FY2023 ¥29,577 million [21.1%]

	Earnings per share	Fully diluted earnings per share
First three months	(Yen)	(Yen)
FY2024	26.52	–
FY2023	35.63	–

(2) Summary of consolidated balance sheet

	Total assets	Total net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of June 30, 2024	2,943,642	791,345	26.1	1,079.21
As of March 31, 2024	3,030,751	771,900	24.8	1,053.04

Reference: Equity: As of June 30, 2024 ¥769,224 million; As of March 31, 2024 ¥750,144 million

2. Dividends

	Annual dividends				
	Q1 (Yen)	Q2 (Yen)	Q3 (Yen)	Year-end (Yen)	Total (Yen)
FY2023 ended March 31, 2024	–	14.00	–	17.00	31.00
FY2024 ending March 31, 2025	–	/	/	/	/
FY2024 ending March 31, 2025 (Forecast)	/	16.00	–	16.00	32.00

Note: Revisions to the forecasts of dividends most recently announced: None

3. Forecast for Fiscal Year 2024 Ending March 31, 2025

(% indicates year-on-year change.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full-year forecast	1,130,000	2.4	130,000	8.1	117,500	6.4	70,000	2.1	98.27

Note: Revisions to the forecasts most recently announced: None

Total number of shares issued (common stock)

(a) Total number of shares issued at end of period (including treasury shares)

As of June 30, 2024: 719,830,974 shares

As of March 31, 2024: 719,830,974 shares

(b) Number of treasury shares at end of period

As of June 30, 2024: 7,061,531 shares

As of March 31, 2024: 7,473,553 shares

(c) Average number of shares (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024: 712,561,417 shares

Three months ended June 30, 2023: 709,898,971 shares

(Note) The Company has a “Director Stock Ownership Plan Trust” for directors, etc. of the Company and its subsidiaries and a “Tokyu Fudosan Holdings Employee Shareholding Incentive Plan Trust.” The shares of the Company held by the trust accounts of the trusts are included in the number of treasury shares as a deduction in calculating the number of treasury shares at end of period and the average number of shares.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Proper use of forecasts, and other special matters
(Disclaimer)

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future. Please refer to “1. Analysis of Operating Results (3) Forecast for Fiscal Year 2024 Ending March 31, 2025” on page 10 for assumptions behind the forecasts and cautions concerning the use thereof.

Operating Results and Financial Position

1. Analysis of Operating Results

(1) Overview

The Group's business performance during the first three months ended June 30, 2024 was ¥267.2 billion in operating revenue (up 5.6% from the same period of the previous fiscal year), ¥31.6 billion in operating profit (down 8.4%), ¥29.3 billion in ordinary profit (down 10.0%), and ¥18.9 billion in profit attributable to owners of parent (down 25.3%). Operating revenue increased owing to robust performance in the condominium and real estate sales agent business against the backdrop of a strong housing sales market and strong performance in the hotel business resulting from capturing inbound demand, but profit decreased due in part to recording a higher gain on sales of assets in the same quarter of the previous fiscal year. With regard to full-year forecasts, as shown by the progress rates in the table below, we are proceeding steadily.

The first three months for FY2023 in the tables below was from April 1, 2023 to June 30, 2023 and the first three months for FY2024 was from April 1, 2024 to June 30, 2024.

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2024 forecast	Progress
Operating revenue	253.1	267.2	14.1	1,130.0	23.6%
Operating profit	34.5	31.6	(2.9)	130.0	24.3%
Ordinary profit	32.6	29.3	(3.3)	117.5	25.0%
Profit attributable to owners of parent	25.3	18.9	(6.4)	70.0	27.0%

Operating revenue and operating profit					(Unit:¥ billion)
	First three months	First six months	First nine months	Full-year	
Operating revenue for FY2024	267.2	–	–	–	
Operating revenue for FY2023	253.1	490.7	717.8	1,103.0	
Operating revenue for FY2022	220.3	445.0	641.7	1,005.8	
Operating profit for FY2024	31.6	–	–	–	
Operating profit for FY2023	34.5	58.0	75.4	120.2	
Operating profit for FY2022	24.9	45.9	62.0	110.4	

By segment, the Property Management & Operation segment and Real Estate Agents segment saw increases in revenues and profit, the Strategic Investment segment saw an increase in revenues but a decrease in profit, and the Urban Development segment saw decreases in revenues and profit (compared with the same period of the previous fiscal year).

Operating revenue

(Unit:¥ billion)

	First three months		Comparison	FY2024 forecast	Progress
	FY2023	FY2024			
Total	253.1	267.2	14.1	1,130.0	23.6%
Urban Development	87.2	78.0	(9.2)	371.0	21.0%
Strategic Investment	24.6	25.1	0.5	103.7	24.2%
Property Management & Operation	76.7	80.2	3.4	356.0	22.5%
Real Estate Agents	75.6	88.9	13.3	323.0	27.5%
Adjustment for Inter- Company Transactions	(11.0)	(5.0)	6.0	(23.7)	–

Operating profit

(Unit:¥ billion)

	First three months		Comparison	FY2024 forecast	Progress
	FY2023	FY2024			
Total	34.5	31.6	(2.9)	130.0	24.3%
Urban Development	17.4	14.6	(2.8)	70.7	20.7%
Strategic Investment	5.4	(0.2)	(5.6)	4.4	(4.8)%
Property Management & Operation	2.7	5.5	2.8	23.4	23.6%
Real Estate Agents	11.3	14.4	3.1	43.0	33.5%
Adjustment for Inter- Company Transactions	(2.3)	(2.7)	(0.4)	(11.5)	–

1) Urban Development

In our Urban Development business, we recorded ¥78.0 billion in operating revenue (down 10.6% from the same period of the previous fiscal year) and ¥14.6 billion in operating profit (down 16.3%).

Overall, the segment saw decreases in both revenues and profit. Although revenue increased due to the rise in the number of condominium units sold in Condominiums, the new contribution from Shibuya Sakura Stage (Shibuya-ku, Tokyo) in Leasing (Office buildings), and the new contribution from Tokyu Plaza Harajuku “Harakado” (Shibuya-ku, Tokyo) in Leasing (Commercial facilities), there was a decrease in the sales of assets in Other (excluding lease in office and commercial facility business) and Other (excluding condominiums in residential business), in the breakdown of operating revenue below.

In the leasing office buildings, leasing activity particularly in the Shibuya area, where a large proportion of the Company’s owned properties are located, was robust. Although the vacancy rate (office buildings and commercial facilities) as of June 30, 2024 temporarily rose to the high level of 3.7%, Shibuya Sakura Stage (Shibuya-ku, Tokyo), which was newly completed in November 2023, is expected to bring this rate down as tenants steadily move in. If Shibuya Sakura Stage is excluded, the vacancy rate (office buildings and commercial facilities) was maintained at a low level of 1.0%.

Sales of condominium units showed an underlying strength of demand and continued to proceed strongly. Regarding condominiums during the first three months ended June 30, 2024, BRANZ Jiyugaoka (Setagaya-ku, Tokyo), BRANZ Shibuya Yoyogi Koen (Shibuya-ku, Tokyo), etc. were recorded as newly completed properties. The ratio of contracted amount for sale to the planned sales amount for the full year for condominiums grew from 74% at the beginning of the fiscal year to 84% (down 3 percentage points from the same period of the previous fiscal year).

(Unit:¥ billion)

	First three months		Comparison	FY2023	FY2024 forecast
	FY2023	FY2024			
Operating revenue	87.2	78.0	(9.2)	365.4	371.0
Operating profit	17.4	14.6	(2.8)	53.2	70.7

Breakdown of operating revenue

(Unit:¥ billion)

	First three months		Comparison	FY2023	FY2024 forecast
	FY2023	FY2024			
Urban Development	51.2	34.4	(16.8)	177.2	229.0
Leasing (Office buildings)	13.2	15.0	1.8	56.3	61.8
Leasing (Commercial facilities)	10.1	11.5	1.3	42.1	46.8
Other *1	27.8	7.9	(19.9)	78.9	120.4
Residential	36.1	43.6	7.6	188.2	142.0
Condominiums	11.3	27.8	16.5	89.5	84.2
Other *2	24.7	15.8	(8.9)	98.7	57.9

*1 Excluding lease in office and commercial facility business

*2 Excluding condominiums in residential business

Vacancy rate of leasing office buildings and leasing commercial facilities

As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024
1.3%	1.1%	4.8%	3.7%

* Vacancy rate excluding the Shibuya Sakura Stage (completed in November 2023) as of June 30, 2024: 1.0%

Condominiums: condominium units sold

(Units)

	First three months		Comparison
	FY2023	FY2024	
No. of units sold	167	280	114
New supply	202	265	63
Contracted units	237	218	(19)
Inventory of completed units	199	135	(64)

FY2023	FY2024 forecast
1,280	996
931	1,150
1,008	–
127	–

2) Strategic Investment

In our Strategic Investment business, we recorded ¥25.1 billion in operating revenue (up 2.2% from the same period of the previous fiscal year) and ¥0.2 billion in operating loss.

Overall, the segment saw an increase in revenues and a decrease in profit. Although revenues increased due to an increase in the number of facilities in operation in the renewable energy business in Infrastructure & Industry, there was a decline in asset sales of logistics facilities and an increase in expenses in North America in the Overseas operations, in the breakdown of operating revenue below.

The renewable energy business is expanding steadily as the number of facilities in operation increased as planned. Total rated capacity after all facilities are put into operation (before taking our equity into account) is 1,763 MW (up 12 MW compared to the amount as of March 31, 2024).

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2023	FY2024 forecast
Operating revenue	24.6	25.1	0.5	108.0	103.7
Operating profit	5.4	(0.2)	(5.6)	15.1	4.4

Breakdown of operating revenue

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2023	FY2024 forecast
Infrastructure & Industry	21.4	22.2	0.8	88.5	79.1
Asset management	2.4	2.0	(0.5)	9.9	8.5
Overseas operations	0.7	0.9	0.2	9.5	16.1

* Infrastructure & Industry: Renewable energy power generation facilities and logistics facilities, etc.

* Asset management: J-REIT and fund management, etc.

Renewable energy power generation facilities

	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024
Facilities in operation	66	65	74	80
Rated capacity (MW)	882	1,034	1,342	1,389

* Rated capacity in operation indicates the capacity of only projects in Japan before taking our equity into account.

* From March 31, 2024, rooftops (rooftop solar power generation facilities) are included in rated capacity (MW), aggregated as a single business.

3) Property Management & Operation

In our Property Management & Operation business, we recorded ¥80.2 billion in operating revenue (up 4.5% from the same period of the previous fiscal year) and ¥5.5 billion in operating profit (up 106.3%).

Overall, the segment saw increases in revenues and profit. Although there was a decrease in revenues in Condominiums in Property Management due to the transfer of the detached housing renovation business which was previously included in Condominiums, there was an increase in revenues owing to the commencement of large contracts in Office buildings, in the breakdown of operating revenue below. In Wellness, although healthcare facilities recorded a decline in revenue due to such factors as the removal from consolidation following the transfer of all the shares in TOKYU SPORTS OASIS Inc. (Note), hotels saw an increase in revenue due to the capture of inbound demand.

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2023	FY2024 forecast
Operating revenue	76.7	80.2	3.4	371.5	356.0
Operating profit	2.7	5.5	2.8	22.8	23.4

Breakdown of operating revenue

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2023	FY2024 forecast
Property Management	45.8	46.7	0.9	226.0	212.0
Condominiums	27.4	24.8	(2.6)	127.7	120.8
Office buildings	18.4	21.8	3.4	98.2	91.2
Wellness	28.6	31.1	2.5	132.5	130.2
Hotels	11.9	14.9	3.0	54.6	62.4
Leisure facilities	2.6	2.4	(0.2)	17.4	15.2
Healthcare	7.1	3.1	(4.0)	28.5	13.3
Other	7.0	10.7	3.7	32.0	39.3
Environmental greening, etc.	2.4	2.4	0.1	13.0	13.8

*Hotels: Harvest Club, Tokyu Stay, resort hotels, etc.

*Leisure facilities: Golf courses, ski resorts, etc.

*Healthcare: Senior housing, fitness facilities, etc. (due to the transfer of all shares in TOKYU SPORTS OASIS Inc. (Note), it was removed from the scope of consolidation at the end of the previous fiscal year)

Note: The company name of TOKYU SPORTS OASIS Inc. was changed to SPORTS OASIS Inc. effective April 1, 2024.

Number of sites managed as of fiscal year (period) end

	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024	FY2024 forecast
Condominiums (units)	831,603	867,891	845,241	821,532	819,626
Buildings, etc. (no. of contracts)	1,626	1,656	1,644	1,669	1,650

4) Real Estate Agents

In our Real Estate Agents business, we recorded ¥88.9 billion in operating revenue (up 17.6% from the same period of the previous fiscal year) and ¥14.4 billion in operating profit (up 27.2%).

Overall, the segment saw increases in revenues and profit. Revenues increased due to respective rises in number of transactions and in Real Estate Agents, the transaction amounts as a result of capitalizing on the strong real estate transaction market, in addition to increases in revenue recognized for development projects for Real estate sales, in the breakdown of operating revenue below.

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2023	FY2024 forecast
Operating revenue	75.6	88.9	13.3	285.6	323.0
Operating profit	11.3	14.4	3.1	38.5	43.0

Breakdown of operating revenue

	First three months		Comparison	(Unit:¥ billion)	
	FY2023	FY2024		FY2023	FY2024 forecast
Real Estate Agents	52.3	64.0	11.7	187.2	218.9
Real estate sales agent	19.4	20.7	1.2	85.8	89.7
Real estate sales	31.3	41.1	9.8	94.4	119.1
Consignment sales, etc.	1.5	2.2	0.7	6.9	10.1
Rental housing service	23.4	24.9	1.6	98.4	104.1

Real estate sales agent

	As of June 30, 2023	As of June 30, 2024	Comparison	FY2023	FY2024 forecast
	Number of transactions	6,864			
Transaction amounts (Billions of yen)	434.5	480.6	46.1	2,080.1	2,158.4

*Total of retail and wholesale

(2) Analysis of Financial Position

As of the end of the first quarter ended June 30, 2024, total assets decreased by ¥87.1 billion compared to the end of the previous fiscal year and total liabilities decreased by ¥106.6 billion compared to the end of the previous fiscal year.

(Unit:¥ billion)

	As of March 31, 2024	As of June 30, 2024	Comparison	
Total assets	3,030.8	2,943.6	(87.1)	
Total liabilities	2,258.9	2,152.3	(106.6)	
Net assets	771.9	791.3	19.4	
Equity	750.1	769.2	19.1	As of March 31, 2025 (Forecast)
Equity ratio	24.8%	26.1%	1.4P	4.2%
ROA	4.2%	—	—	9.0%
ROE	9.6%	—	—	1,650.0
Interest-bearing debt	1,590.1	1,583.0	(7.1)	2.1×
DER	2.1×	2.1×	(0.1)	1.8×
Revised DER	1.9×	1.8×	(0.1)	

DER: Interest-Bearing Debt/Equity

Revised DER: DER that considers the equity nature of hybrid financing on the rating

ROA: (Operating Profit + Interest Income + Dividends Income)/Total Assets (Yearly Average)

ROE: Profit attributable to owners of parent/Equity (Yearly Average)

(3) Forecast for Fiscal Year 2024 Ending March 31, 2025

	Operating revenue (Billions of yen)	Operating profit (Billions of yen)	Ordinary profit (Billions of yen)	Profit attributable to owners of parent (Billions of yen)
Full-year forecast	1,130.0	130.0	117.5	70.0

Reference: Projected earnings per share (full-year): ¥98.27

There is no change from the forecasts announced on May 10, 2024.

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

First Quarter Consolidated Balance Sheet

Tokyu Fudosan Holdings Corporation

(Review has not been completed.)

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	246,634	151,721
Notes and accounts receivable - trade, and contract assets	56,192	42,346
Securities	16,559	12,974
Merchandise	731	764
Real estate for sale	502,267	514,609
Real estate for sale in process	407,497	408,855
Costs on construction contracts in progress	2,923	5,261
Supplies	834	975
Other	125,635	120,678
Allowance for doubtful accounts	(91)	(116)
Total current assets	1,359,185	1,258,071
Non-current assets		
Property, plant and equipment		
Buildings and structures	591,183	598,291
Accumulated depreciation	(213,796)	(215,521)
Buildings and structures, net	377,386	382,769
Land	598,687	599,338
Construction in progress	60,420	44,272
Other	114,480	130,366
Accumulated depreciation	(56,287)	(57,942)
Other, net	58,193	72,423
Total property, plant and equipment	1,094,687	1,098,803
Intangible assets		
Goodwill	43,498	40,311
Other	40,003	39,757
Total intangible assets	83,502	80,068
Investments and other assets		
Investment securities	332,955	344,195
Leasehold and guarantee deposits	91,400	90,857
Other	69,332	71,958
Allowance for doubtful accounts	(312)	(312)
Total investments and other assets	493,376	506,698
Total non-current assets	1,671,566	1,685,570
Total assets	3,030,751	2,943,642

Note: Amounts are in units of millions of yen with fractional units discarded.

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	69,633	30,760
Short-term borrowings	147,284	145,850
Current portion of bonds payable	20,000	40,000
Income taxes payable	17,883	13,307
Provisions	19,852	11,193
Other	233,414	188,874
Total current liabilities	508,068	429,986
Non-current liabilities		
Bonds payable	270,000	250,000
Long-term borrowings	1,152,839	1,147,176
Long-term leasehold and guarantee deposits received	215,747	220,570
Retirement benefit liability	29,992	29,356
Provisions	492	480
Other	81,709	74,726
Total non-current liabilities	1,750,782	1,722,309
Total liabilities	2,258,850	2,152,296
Net assets		
Shareholders' equity		
Share capital	77,562	77,562
Capital surplus	165,707	165,707
Retained earnings	440,492	447,166
Treasury shares	(4,764)	(4,502)
Total shareholders' equity	678,996	685,933
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	17,251	14,402
Deferred gains or losses on hedges	6,138	7,567
Revaluation reserve for land	8,977	8,966
Foreign currency translation adjustment	38,825	52,386
Remeasurements of defined benefit plans	(45)	(32)
Total accumulated other comprehensive income	71,147	83,291
Share acquisition rights	5	5
Non-controlling interests	21,751	22,115
Total net assets	771,900	791,345
Total liabilities and net assets	3,030,751	2,943,642

Note: Amounts are in units of millions of yen with fractional units discarded.

First Quarter Consolidated Statements of (Comprehensive) Income

(First Quarter Consolidated Statement of Income)

Tokyu Fudosan Holdings Corporation

(Review has not been completed.)

(Millions of yen)

	First three months FY2023 (from April 1, 2023 to June 30, 2023)	First three months FY2024 (from April 1, 2024 to June 30, 2024)
Operating revenue	253,104	267,179
Operating costs	198,011	212,640
Operating gross profit	55,092	54,538
Selling, general and administrative expenses	20,565	22,902
Operating profit	34,527	31,636
Non-operating income		
Interest income	86	162
Dividend income	134	207
Foreign exchange gains	121	57
Share of profit of entities accounted for using equity method	72	-
Debt prescription profit	306	-
Other	655	626
Total non-operating income	1,377	1,054
Non-operating expenses		
Interest expenses	3,008	3,149
Share of loss of entities accounted for using equity method	-	16
Other	292	179
Total non-operating expenses	3,300	3,345
Ordinary profit	32,604	29,345
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	-	2,909
Total extraordinary income	-	2,909
Profit before income taxes	32,604	32,255
Income taxes	7,024	13,191
Profit	25,580	19,063
Profit attributable to non-controlling interests	286	163
Profit attributable to owners of parent	25,293	18,900

Note: Amounts are in units of millions of yen with fractional units discarded.

(First Quarter Consolidated Statement of Comprehensive Income)

Tokyu Fudosan Holdings Corporation

(Review has not been completed.)

(Millions of yen)

	First three months FY2023 (from April 1, 2023 to June 30, 2023)	First three months FY2024 (from April 1, 2024 to June 30, 2024)
Profit	25,580	19,063
Other comprehensive income		
Valuation difference on available-for-sale securities	3,477	(2,849)
Deferred gains or losses on hedges	(1,637)	1,445
Foreign currency translation adjustment	1,192	2,268
Remeasurements of defined benefit plans, net of tax	24	12
Share of other comprehensive income of entities accounted for using equity method	941	11,400
Total other comprehensive income	3,997	12,278
Comprehensive income	29,577	31,342
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	29,301	31,055
Comprehensive income attributable to non-controlling interests	276	287

Note: Amounts are in units of millions of yen with fractional units discarded.